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AGRICULTURAL COOPERATION

June 29, 1929.

Vol. VII, No. 13.

LARGE SALES BY NEW YORK MILK PRODUCERS

With gross sales of \$85,648,162 for the year ending March 31, 1929, the Dairymen's League Cooperative Association, Inc., New York City, established a new record for the second largest farmers' cooperative in the United States.

First place is held by the California Fruit Growers' Exchange, Los Angeles, which had sales of more than \$96,000,000 during its last business year.

Of the gross amount received by the Dairymen's League, \$65,678,800, or 76.7 per cent was paid to member milk producers.

A total of 2,484,941,739 pounds of milk was handled by the association. Thirty-eight plants were taken over or opened during the year, ten of which were newly built plants constructed by the association's engineering department. An average net pool price of \$2.59 per 100 pounds of 3.5 milk was paid to participating member producers at the base zone, 201-210 miles from New York City.

During the year 6,464 membership contracts were accepted, making the total participating membership 43,067.

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION
COLLECTED BY THE DIVISION OF COOPERATIVE MARKETING
BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C.

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ELEVEN YEARS OF BUTTER MARKETING IN OREGON

The Farmers' Creamery Company, Carlton, Ore., was organized and incorporated in 1915 and has a membership of about 80, of which number, 75 are farmers. It was organized with capital stock of \$5,000. The products of nonmembers as well as members are handled. The main activity of the association is butter making and marketing. However, small quantities of buttermilk and eggs are sold.

The development of the organization since 1918 is shown by the figures below, compiled from the annual financial statements of the organization:

Year*	Patrons#	Butter made	Butter sales	Total business**
	(Number)	(Pounds)		
1918-19	106	127,516	\$66,806	\$ 67,395
1919-20	93	71,228	64,507	66,023
1920-21	90	112,391	70,446	74,347
1921-22	128	107,399	60,104	61,555
1922-23	176	167,532	-----	81,255
1923-24	160	182,357	91,912	93,504
1924-25	157	182,260	83,439	85,066
1925-26	161	194,805	97,765	100,590
1926-27	156	197,057	91,990	94,741
1927-28	161	202,475	92,495	95,184
1928-29	132	178,718	85,321	88,203

* Ending April 30.

Delivering cream in April.

** Not including egg sales.

These figures show a varying number of patrons delivering cream in April of each year. An increase in the number of pounds of butter made is shown. The annual sales of butter range from \$60,000 to \$97,000. Total business of the creamery, starting in the year 1919 with \$67,000, has increased to \$88,000 in 1929, with the highest total shown in 1925-26, when it was more than \$100,000.

MILK MARKETING ON PACIFIC COAST

Whereas originally the manufacture of cheese was an important function of the Grays Harbor Dairymen's Association, Satsop, Wash., today the main activity of this dairy marketing cooperative is the handling of fluid milk.

In 1924 as much as 402,567 pounds of cheese was made, but by 1928 cheese making had become an industry of the past.

The equivalent of 13,583,893 pounds of 3.8 per cent milk was received during 1928 and sold in fluid form to milk dealers for \$329,377. Other income brought the total business for the year up to \$330,937.

This association was organized in June of 1918 to serve about 150 milk producers. Soon the enterprise had a membership of 300 which number it continues to serve as a marketing agency. Sales since 1921 have been reported to the U. S. Department of Agriculture as follows:

1921	\$256,058	1925	\$384,209
1922	268,052	1926	291,844
1923	356,311	1927	312,941
1924	321,097	1928	330,937

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PENNSYLVANIA DAIRY ASSOCIATION REPORTS

Total business of \$91,128 is reported by the Kane Dairy Cooperative Association, Kane, Pa., for the year ending December 31, 1928. Some of the items making up this figure are: fluid milk sales, \$51,265; cream sales, \$18,832; butter, \$7,217; cheese, \$2,005; other dairy sales, \$1,256; and supplies sold to patrons, \$10,043. More than one million pounds of milk was received by the association during the year.

Activities of the association for the past seven years are shown by the following figures:

Year	Sales of dairy products	Feed and supply sales	Net earnings	Net worth
1922	\$67,464	-----	\$1,717	\$ 8,642
1923	70,541	\$10,229	1,434	10,655
1924	61,989	9,263	935	11,074
1925	69,170	6,800	995	11,239
1926	75,130	10,658	1,142	14,320
1927	79,917	15,000	4,053	21,040

MILK PRODUCERS ORGANIZING IN ST. LOUIS TERRITORY

Dairymen of the St. Louis milk shed held a meeting in East St. Louis, about the middle of May which resulted in the incorporation of the St. Louis Sanitary Milk Producers and the election of a board of 15 directors. Nineteen counties of Illinois and Missouri are represented in the new organization. The association is incorporated in Illinois and licensed to do business as a foreign corporation in Missouri. It is modeled after the Pure Milk association of Chicago and its seven major objects are stated as follows: (1) standardization and improvement of milk and dairy products, (2) collective bargaining in selling, (3) control of surplus and supplying milk as the market demands (4) checking weights and tests, (5) watching credit ratings of wholesale milk buyers, (6) advertising milk and dairy products to broaden the outlet.

The new organization is a nonprofit cooperative association without capital stock. Membership is for life on the basis of a \$5 fee payable in advance. The territory has been divided into 15 districts on the basis of membership, and each district has representation on the board of directors.

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RAPID GROWTH BY WASHINGTON DAIRY COOPERATIVE

In the five years since its organization the Kittitas County Dairymen's Association, Ellensburg, Wash., has developed into an enterprise with a business of nearly \$400,000. During the nine months that the association operated in 1924, a total of 240,000 pounds of butter was made. In 1928 the output of butter amounted to 670,518 pounds.

Membership has increased from 264 for the first year to 455 for 1928.

The figures given below indicate growth from year to year:

Year	Number of members	Butterfat received (Pounds)	Butter made (Pounds)	Gross sales*
1924#	264	372,504	240,000	\$168,275
1925	290	454,830	350,744	257,189
1926	332	554,451	441,470	296,603
1927	402	612,850	551,316	332,603
1928	455	690,669	670,518	394,503

* Including butter, buttermilk, cream, and merchandise.

Nine months.

The association had a net worth on December 31, last, of \$50,072 made up of the outstanding stock to the amount of \$35,650 and surpluses of \$14,422.

FLORIDA CITRUS EXCHANGE COMPLETES TWENTIETH YEAR

The Florida Citrus Exchange handled 29 per cent of the 1927-28 Florida citrus crop, and 31.4 per cent of the 1928-29 crop.

The percentages of Florida citrus fruit handled by the Exchange for the last two seasons were as follows:

Fruit	1927-28	1928-29
	(Per cent)	(Per cent)
Oranges	32.9	32.1
Grapefruit	25.1	30.0
Tangerines	27.0	35.5

It will be noted by these figures, that while a slightly smaller percentage of oranges was handled by the Exchange the latter season than the former, a much larger percentage of grapefruit and tangerines was marketed by the growers' organization in the latter season.

Exchange shipments of citrus fruit amounted to 10,254 cars for the 1927-28 season and 17,867 cars for the 1928-29 season, an increase of 7,613 for the latter season. The 1928-29 business is the largest in the history of the association.

The number of boxes of citrus fruit marketed by the Exchange for each business year since 1920 is as follows:

1920-21	3,905,841	1925-26	4,193,316
1921-22	3,805,942	1926-27	4,860,948
1922-23	5,205,510	1927-28	3,876,577
1923-24	5,548,241	1928-29	*7,268,739
1924-25	6,375,759		

* To June 10, 1929.

According to the annual report of the management, 49.6 per cent of the fruit was sold at private sale; 48 per cent was sold at auction; 0.9 per cent was placed in storage, and 1.5 per cent was unsold at the close of the season.

Sales during the past season were made to 976 customers in 433 towns in 46 states and 6 Canadian provinces. This was a larger number of both customers and towns than were reached in the preceding season.

Among the foreign countries to which Exchange shipments were sent, were the following: England, Scotland, Germany, Belgium, Sweden, Norway, Holland, Denmark, France, and Finland.

Efforts were made by the management during the past season to develop an increased demand for canned fruits and fruit juices in order to develop a profitable outlet for cull fruit.

CREDIT FOR FLORIDA FRUIT GROWERS

More than two and one-half million dollars was loaned by the Growers' Loan and Guaranty Company, Tampa, Fla., to citrus growers and citrus growers' associations during the 1928-29 year. The loans to growers amounted to \$1,822,058 and the loans to citrus marketing associations, to \$306,960. The loans to growers were 50 per cent larger than for the previous year.

The money required for meeting the increased demands was obtained by increasing the capital stock by \$326,000; issuing 5-year trust notes for \$600,000; selling short-term trust notes to the amount of \$850,000; and rediscounting to the amount of \$150,000 with the Intermediate Credit Bank.

The association was formed in 1918 by sub-exchanges of the Florida Citrus Exchange in order to provide production, harvesting and marketing credit for citrus fruit growers and to provide credit to meet the needs of the local packing and shipping associations.

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TEXAS CITRUS EXCHANGE REDUCES PACKING CHARGES

By refunding 5.01 cents per box on packing charges, the Texas Citrus Fruit Growers' Exchange, Mission, Tex., brought the cost of packing fruit slightly below 80 cents per box. When the Exchange first began packing fruit for the growers it made a charge of \$1.10 per box; in 1928 it reduced the charge to 85 cents, and has been able to refund 5.01 cents of that.

The management states: "The past season has been, for the members of the Exchange, a very successful season from the point of returns, packing costs, and service rendered." A number of communities have recognized the work of the Exchange by asking it to extend its operations into their sections. At La Feria the business men and farmers not only invited the Exchange to come to that point but also raised \$25,000 for stock to assist in building a packing plant and offered to cooperate in securing the required tonnage. Approximately 600 acres of bearing fruit has been signed in that section and the Exchange is planning to build a modern packing plant costing from \$50,000 to \$60,000. A packing plant at Val Verde has been secured and the people of that territory have offered to secure the tonnage. At present the Exchange has modern plants at San Benito, Mercedes, Donna, LaFeria, Sharyland, and Harlingen. One or two more plants may be built in localities which have asked for service.

The Exchange offers stock in the packing plants to its members as a 7 per cent investment.

WISCONSIN CHERRIES MARKETING COOPERATIVELY

A growers' selling association and an affiliated processing company are included in the plan for marketing Wisconsin cherries. The growers' association formed in 1916 is the Door Company Fruit Growers' Union, Sturgeon Bay, Wis., and the affiliated processing company is the Fruit Growers' Canning Company.

Fresh fruit sales are made through the Union and in 1928 amounted to \$2,011,757. Growers' supplies of \$130,780 were purchased, making the total business for the year, \$2,142,537. Of the total fruit sales, 95.9 per cent represented cherry sales. In addition, apples and plums were marketed and 3,903 crates of berries. Returns to growers for fruit amounted to \$1,368,540.

On the balance sheet of the Union for March 31, 1929, capital assets of \$100,144 are shown and capital liabilities of \$95,270, with capital stock of \$88,810 included.

Merchandise earnings of \$10,177 were made in 1928; \$2,731 was received from trucking; and \$2,192 from pre-cooler operations.

A large part of the fruit received by the Union is processed prior to marketing. This activity is carried on by the Fruit Growers' Canning Company. Outstanding capital stock of this company on March 31, 1929, amounted to \$165,500 and there was a surplus of \$5,100. The volume of business of the canning factory reached \$1,867,724, of which, canned fruit sales were \$1,275,298; cold-pack cherry sales, \$577,346; and cherry juice sales, \$4,978.

The figures below show the business of the Door County Fruit Growers' Union for the past thirteen years:

Year	Crates of cherries*	Packages of fruit#	Sales		Total business
			Growers' supplies	Fruit	
1916	31,371	43,832	-----	-----	-----
1917	104,758	117,174	-----	-----	-----
1918	32,792	39,625	-----	-----	-----
1919	205,453	210,211	\$38,916	\$ 557,882	\$ 607,484
1920	188,080	211,469	77,763	551,149	629,300
1921	344,695	330,545	101,014	977,999	1,089,202
1922	425,517	495,699	140,694	896,738	1,048,597
1923	233,224	330,686	117,743	434,795	578,494
1924	646,048	751,230	89,056	659,867	750,004
1925	221,492	390,136	101,202	344,986	446,583
1926	582,756	636,584	98,291	1,051,585	1,162,722
1927	173,235	327,013	113,358	712,851	-----
1928	641,393	762,519	130,780	2,011,756	2,142,537

* Sixteen-quart crates.

Barrels of apples counted as three packages.

COOPERATIVE WINS PRIZES AT CALIFORNIA ORANGE SHOW

Seven silver cups were among the prizes awarded the Mutual Orange Distributors. Redlands, Calif., at the California Valencia Orange Show, Anaheim. Awards for first, second and third places were given the association in the grand sweepstakes for oranges; first for lemons; and first and second for grapefruit. Total prizes taken by the association were 19 first, 19 second, and 15 third.

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MARKETS FRESH AND PACKED FRUIT

Two organizations which function as a single unit have been set up to ensure the satisfactory marketing of the fruit produced by the members of the Puyallup and Sumner Fruit Growers Association, Puyallup, Wash. This association is organized under the Washington Cooperative law of 1921. Subsidiary to the association is the Puyallup and Sumner Packing Company, organized under the regular corporation laws of the state, with \$75,000 of capital stock, all of which is held by the growers' association.

The same men serve the two organizations as directors and administrative officers. The association markets that portion of the annual crop sold fresh and the packing company handles that portion canned or cold-packed. In addition, the company buys large quantities of soft fruit in order to have full and complete lines to meet the needs of its customers.

Fresh fruit shipments during 1928 amounted to 120,225 24-pint cases. A total of 11,290,292 pounds of fruit was handled in the processing plant. A little more than one-half of this quantity came from members. The pack for the season amounted to 209,893 cases of canned goods, 4,656 50-gallon barrels of cold-packed fruit and 4,983 small containers of cold-packed fruit.

Total sales of fresh fruit and cold packed fruit amounted to \$913,617. In addition, farm supplies to the amount of about \$40,000 were sold to members, making the total business for the year about \$950,000.

The consolidated balance sheet for the two organizations shows fixed assets as of February 28, 1929, of \$115,636. The larger items making up the total were, real estate, \$6,665; cannery building, \$38,853; machinery and equipment, \$77,288.

The greater part of the capital of the enterprise is represented by certificates of indebtedness issued in connection with deductions made in marketing the crops from 1924 to 1929. These certificates, which are for five years, are payable during the years 1929 to 1933, and amounted to \$83,229 on February 28, 1929. There was a surplus on February 28 of \$18,654, and total net worth was approximately \$100,000.

SEVENTH REPORT FOR IDAHO POTATO GROWERS

Total receipts of \$135,140 are reported by the Idaho Falls Potato Growers, Inc., Idaho Falls, for the year ending May 31, 1929. Of this amount, potato sales were \$111,792; sacks, \$18,944; boxes, \$1,353; sewing twine, \$980; binder twine, \$573; paper, \$555; cartons, \$532; seeds, \$372; and baskets, \$35. Fixed assets of the association at the close of the fiscal year were \$37,329. Four warehouses were valued at \$22,944; machinery and tools, \$1,417; and furniture and fixtures, \$405. Expenses for the year were \$10,399. The membership is approximately 250.

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TWENTY-SEVEN YEARS OF FRUIT MARKETING

Starting twenty-seven years ago the Ashland Fruit and Produce Association, Ashland, Ore., has continued to market the products for its 225 grower members. Vegetables, berries, fruits, and eggs are being marketed; and seed, feed, poultry, dairy and orchard supplies, including spray materials, fertilizers and box shoo, are purchased.

The total business has ranged from \$34,000 in 1913 to \$63,770 in 1928, the lowest year's business being in 1915 with a total amounting to \$14,760 and the highest year's record being \$162,353, for 1920. A five-year average of \$100,521 was made on the sales of all commodities.

This association has a large warehouse and fruit packing plant and has its own auto trucks for transporting growers' products to market and for local deliveries. The association's real estate and equipment was valued at \$29,042 on January 1, 1929; it had outstanding capital stock of \$1,971; and a surplus of \$24,044.

The last financial statement shows the total amount realized for all sales for the 1928 season as \$63,770. A variety of green and other vegetables were sold in small quantities to the amount of \$632. Two thousand five hundred and seventeen crates of berries were sold for \$3,192, including gooseberries, strawberries, loganberries, raspberries, currants, blackberries, and dewberries. There were 198 crates of plums and prunes for which the sum of \$165 was received. Cherry sales amounted to \$5,331 for the 76,516 pounds marketed. The apricot sales were \$1,548; \$3,256 was received for peaches; \$3,283 for pears; \$3,636 for apples; and \$1,459 for cull and bulk fruit sales. One thousand thirteen cases of fresh eggs sold for \$9,454 and storage eggs brought \$1,460. Supplies to the value of \$25,830 were purchased for the members. Commodities as follows were marketed by auto truck: berries, 243 crates; apricots, 299 boxes; peaches, 2,377 boxes; apples, 1,552 boxes; and eggs 51½ cases. The total amount of truck delivery sales was \$5,177.

FARMERS' UNION ELEVATORS CONTEMPLATE BUYING SALES AGENCY

Representatives of 27 Farmers' Union elevator associations met in Omaha, Nebr., May 24, and took preliminary steps in forming a federation of cooperative elevators. The new organization is to be called the Farmers' Union Cooperative Elevator Federation, and all strictly cooperative elevators will be eligible to purchase shares. The plan is for the Federation to purchase the business of the National Grain Commission Company, Omaha, and gradually pay for the stock held by the Farmers' Educational and Cooperative State Union of Nebraska, the present owner. A contract between the Farmers' Union and the new federation will provide that the former organization shall turn over to the federation annually all the earnings of the National Grain Commission Company except enough to pay a 6 per cent dividend on outstanding share capital. The federation agrees to complete the purchase in 10 years. The Farmers' Union will retain 10 shares out of the 300 it now owns and thus become a member of the Federation.

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ALBERTA WHEAT POOL PAYS INTEREST ON RESERVES

Checks for interest on the commercial and elevator reserves of the Alberta Wheat Pool Ltd., Calgary, went out from the offices of the association on May 31. These checks covered interest on reserves for the year ending August 31, 1928. The total amount of the payment was about \$202,000, representing 6 per cent on elevator reserves of \$2,231,110, and commercial reserves of \$1,012,293. The association is planning to make another payment in the fall for the interest up to August 31, 1929.

Terminal Elevator No. 1, at Vancouver, is to be increased in capacity from 2,250,000 bushels to 5,250,000 bushels, the contract for construction of the addition being let in May. This will give the Alberta association a total terminal capacity on the Pacific Coast of 8,150,000 bushels, either owned or controlled. The increased number of pool elevators has demanded increased terminal space. A 40,000-bushel elevator is being built at Fahler in the Peace River district.

July 15 has been set as the date for the cut-off. That is the final date for delivery of wheat in wagon loads to elevators, and carlots must be billed out not later than that date to be included in the 1928-29 pool.

KANSAS EQUITY EXCHANGE HAS GOOD YEAR

Total sales of \$625,669 and net earnings of \$13,716 are reported by the Garden City Cooperative Equity Exchange, Garden City, Kans., for the 1928-29 year. Net earnings were 2.19 per cent of sales.

The Exchange handles grain, coal, flour, feed, oil, gasoline, and other commodities. It operates two elevators, has ample warehouse and storage space, and complete equipment for grinding and mixing feed of all kinds. The oil and gasoline business has been added recently and is operated by a subsidiary company. The attractive new filling station is located on the elevator property and is equipped to handle a large business.

The company was organized in 1919 and has developed steadily ever since. By action taken at the last annual meeting the by-laws were amended to make the organization purely cooperative, and each farmer patronizing the Exchange may become a member by leaving his patronage dividends in the treasury until his entrance fees to the national union and two shares of stock of \$100 each are fully paid. Then he will receive certificates of stock and become a stockholder of record. At present the organization has paid-in capital stock to the amount of \$37,200 and a surplus of \$17,338. It has completed payment for the second elevator purchased several years ago.

From the net earnings of the past year a five per cent dividend was declared on capital stock, and a two per cent refund on business transacted, leaving a substantial sum to be carried to surplus for use as working capital.

The activities of this association since 1919 are indicated by the following figures:

Year ending March 31	Capital stock	Total sales	Net earnings	Refunds to members
1920	\$12,800	\$293,663	\$13,182	\$11,934
1921	28,500	671,261	14,360	10,008
1922	29,600	490,983	13,518	13,367
1923	33,800	521,351	13,924	12,184
1924	37,400	417,764	1,663	none
1925	37,400	512,996	11,175	6,449
1926	37,600	293,377	4,457	none
1927	37,800	573,866	19,117	9,845
1928	-----	232,748	-----	-----
1929	37,200	625,669	13,716	12,513

OHIO GRAIN COMPANY REPORTS

Net income amounting to \$5,438 is reported by the Bryan Farmers' Cooperative Grain and Supply Company, Bryan, Ohio, for the year ending December 31, 1928. The annual report shows capital stock outstanding to the amount of \$28,750, and fixed assets of \$45,670. Net worth was \$60,141. The membership of the association is about 300, and approximately 900 patrons are served.

This association was formed in 1917 for the purpose of marketing grain and farm produce and buying supplies, such as coal, feed and seeds.

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COOPERATIVE OPERATES TWO ELEVATORS AND STORE

Formed in January of 1916, the Deshler Farmers' Elevator Company, Deshler, Ohio, sold farm products the first year to the amount of \$195,000. Last season, 1928-29, the largest volume of business in the history of the company was handled. The total was \$1,096,332, and consisted of an elevator business of \$975,756 and store sales of \$120,576. This association serves 850 members, operates two elevators, one at Deshler and one at Custar, Ohio, and conducts a general store business at Deshler. The Deshler elevator has a present valuation of \$36,000, the Custar elevator is worth \$25,321, and the store building is valued at \$14,394. Net earnings of the two elevators the past season was \$33,448 and of the store, \$6,661.

Fixed assets as of May 1, 1929, totaled \$119,481, and capital liabilities were \$98,114. A surplus of \$116,173 was shown at the close of the year.

The growth of this organization since 1916 is indicated by the figures below:

Year	Capital and surplus	Earnings	Patronage refunds	Sales
1916	\$13,922	\$ 2,376	None	\$ 195,000
1917	25,125	15,663	6,974	361,854
1918	38,192	12,897	7,329	218,228
1919	63,952	20,365	10,242	829,079
1920	98,820	22,715	12,685	821,785
1921	110,451	18,216	None	680,485
1922	109,861	6 869	None	662,114
1923	110,716	8,644	None	620,480
1924	118,638	25,908	9,919	670,596
1925	123,514	18,725	7,785	715,050
1926	124,928	31,077	15,133	889,204
1927	145,054	36,704	15,760	1,136,371
1928	155,434	40,727	17,072	1,056,020
1929	172,763	40,110	20,000	1,096,332

REPORT FOR OHIO LIVESTOCK ASSOCIATION

Total business of \$298,434 is reported by the Auglaize Livestock Cooperative Association, Wapakoneta, Ohio, for the year ending December 31, 1928. Of this amount, sales of livestock came to \$241,520; feeds, \$32,240; fertilizer, \$14,172; wool, \$5,800; twine, \$2,922; and coal, \$1,473. The number of individuals shipping stock was 1,803.

Sales for the past eight years are reported as follows: 1921, \$312,170; 1922, \$660,540; 1923, \$464,300; 1924, \$396,517; 1925, \$438,881; 1926, \$346,048; 1927, \$330,385; 1928, \$298,435.

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INCREASED SHIPMENTS BY ILLINOIS ASSOCIATION

Forty-nine more cars of livestock were forwarded to market by the Adams County Shippers Association, Quincy, Ill., in 1928 than ever before. The number of cars for 1928 was 955 compared with 906 cars for 1927, the next best year.

The total number of shippers was slightly less in 1928 than in 1927, but the number of animals shipped was 1,358 larger for the latter year. Total shipments for 1928 included 60,042 hogs; 4,747 cattle and calves; and 1,827 sheep. Net returns to the producers were \$16,000 larger in 1928 than in 1927, as will be noted by the figures given below:

Year	Number of cars	Number of shippers	Number of animals	Amount received	Net to producers
1919*	101	439	7,679	\$ 211,640	\$ 210,230
1920	610	3,334	44,529	1,200,067	1,187,450
1921	795	4,946	59,775	1,012,052	997,517
1922	633	4,282	47,230	909,380	897,277
1923	689	4,360	53,247	836,425	822,432
1924	640	-----	47,620	841,046	827,133
1925	621	-----	44,552	1,154,112	1,142,196
1926	795	5,345	56,479	1,547,573	1,532,590
1927	906	6,272	65,258	1,433,021	1,415,463
1928	955	6,238	66,616	1,449,064	1,431,464

* Last four months only.

Shipments are made from 13 stations, each with its local manager, who receives, lists, loads and ships livestock. In addition there is a county manager who coordinates the activities of the shipping stations and provides accounting service for all shipments.

SEATTLE ASSOCIATION HAS CHICKEN CANNERY

The chicken cannery department of the Washington Cooperative Egg and Poultry Association, Seattle, Wash., is now in full operation. Early in March the association took over an established cannery which was packing chicken products. It is now developing the business and putting out a line of canned poultry products, using an established brand but adding the name of the association on each package. The products packed include chicken and noodles, chicken dressing, pure chicken sandwich spread, chicken broth, and boneless roast chicken. An advertising campaign is under way to promote the sale of the canned products. Newspaper space, radio programs and store displays are being utilized. The management comments that this line of activity is helping to stabilize the poultry market.

The Washington Cooperative Egg and Poultry Association further increased its activities by taking over the Producers' Egg and Poultry Association of Yakima on June 3. The two organizations have worked in close cooperation during the past two or three years. This branch will be under the same rules and regulations as other branches except that all eggs produced in that section will be sold on their merits and producers will receive full price less actual handling costs.

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SAN DIEGO POULTRYMEN PLAN NEW ASSOCIATION

Completed plans for uniting the San Diego Poultry Association, Inc., and the Poultry Producers of San Diego were presented and approved at the annual meeting of the latter organization, held in San Diego, Calif., May 21. Under this merger there will be one association known as the San Diego Cooperative Poultry Association, organized under the cooperative law which was not in force 12 years ago. It will be a noncapital organization with the voting power in the hands of the active members. Ten dollars of the present stock will be for a certificate of membership, which will continue without renewal or dues so long as the owner continues to be an active member, then the association will take it up and return the ten dollars.

Each member holding a membership certificate and patronizing the association will have one additional vote for each five hundred dollars worth of business, or major fraction thereof, which he transacts through the association, in any business year.

Operating capital will be provided as it is now, by a deduction of one cent a dozen on eggs and the rebate on feed, for which certificates of interest will be issued. These certificates will bear six per cent interest; they will be negotiable and will rotate as the stock issued heretofore has done.

POULTRYMEN ORGANIZE IN BRITISH COLUMBIA

A consular report from Vancouver, B. C., tells of the formation of the British Columbia Egg and Poultry Association, a cooperative marketing association which began operations about April 15, and is now handling most of the eggs of the province. About 15,000 dozen eggs were recently exported to New Zealand and brought approximately 50 cents a dozen after paying the import duty.

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WASHINGTON COOPERATIVE REPORTS INCREASED BUSINESS

Since June of 1928, six new receiving stations have been opened by the Washington Cooperative Egg and Poultry Association, Seattle, to serve its poultry producers in Western Washington. These stations are located at Lake Bay, Issaquah, Vashon, Enumclaw, Vancouver, and Yakima, and, added to the ones already in operation, make a total of twenty-two stations. New feed mills were established at Bellingham, Winlock, and Vancouver. At Lynden, Wash., a chicken canning plant was established, an entirely new venture for the association.

Starting in 1917 with \$2,000 authorized capital, \$483 of which was subscribed and paid for, this cooperative on April 3, 1929, had fixed assets amounting to \$1,331,456, capital stock of \$2,117,466, earnings and reserves of \$739,389 and a net worth of \$2,856,119. This shows an increase over a year ago in net worth of more than \$280,000. The fixed assets as of March 28, 1928, were \$1,109,979; capital stock \$2,004,026; and earnings and reserves, \$564,819. Dividends on capital stock at the rate of 8 per cent have been paid during recent years. Patronage refunds have been made to growers as follows: 1925, \$73,407; 1926, \$166,697; 1927, \$231,321; 1928, \$158,480. At the same time surplus has been increased by the following amounts: 1925, \$73,407; 1926, \$191,514; and 1927, \$125,009.

The association has a present membership of more than 8,700, which is an increase of 1,700 for the past year. The first year of association life there were 114 members, the second year, 150, and the third, 335. Since 1921, the increase has been rapid.

Volume of business as measured by quantity of eggs received, has increased from 14,285 cases in 1917 to 1,081,354 cases in 1928. Shipments of association eggs out of the state during the last year amounted to 1,466 car loads, representing 746,040 cases, with a sales value of \$6,700,000. Some of these eggs went to foreign ports. In addition to egg shipments, 27 car loads, 674,046 pounds, of dressed poultry were shipped, also a car of live poultry containing 16,262 pounds and valued at over \$200,000.

INTERFERENCE WITH CONTRACTS MAY BE ENJOINED

In the case of the Watertown Milk Producers Cooperative Association v. Van Camp Packing Company, 225 N. W. 209, recently decided by the Supreme Court of Wisconsin, it appeared that the association brought suit to restrain the defendant "from inducing or aiding members of said plaintiff cooperative association from breaching their contracts with said association, and to restrain the said defendant from accepting or receiving milk or the manufactured products thereof from the members of the said plaintiff association, and to recover damages for the defendant's misconduct in inducing and aiding the breach of such contracts, and in receiving and accepting milk or the manufactured products thereof from said members of said plaintiff association." The packing company filed an answer to the suit and a member of the association who became a party thereto also filed an answer. The association demurred; that is to say, said that these answers did not set forth defenses to the suit. The trial court held that the answers did set forth defenses which, if proved, might relieve the packing company and the member. The association appealed from the order of the lower court overruling the demurrers, and the Supreme Court of the State held that the conclusion of the trial court was right.

The Supreme Court of Wisconsin in passing upon the case reached certain conclusions that are distinctly favorable to cooperation.

A statute of Wisconsin authorized cooperative associations to file in the office of the register of deeds of the county, in which a member who has entered into a contract with an association resides, a copy of the marketing contract. This statute provides that thereafter any person buying property covered by a marketing contract obtains "no title of any kind" and authorizes the association to "recover the possession of such property from any and all such other parties." The packing company challenged the validity of this statute. The Supreme Court said, "The sum and substance of section 185.08 is to prevent any one from buying the products of a member of such an association during the time when he is under contractual obligation to deliver his product to the association," and declared that there was no necessity for a discussion of the matter to show that the limitation upon the liberty of contract is justifiable in the promotion of the general welfare, and simply said that the decision of the Supreme Court of the United States in the case of the Liberty Warehouse Company v. Burley Tobacco Growers Cooperative Marketing Association, 48 S. Ct. 291, in which the Supreme Court upheld a statute of Kentucky which penalized interference with marketing contracts of a cooperative association was sufficient authority for holding the Wisconsin statute constitutional. In this connection the court said:

The successful establishment of these associations has been attended with many obstacles. Those with whom such associations come in competition have

been resourceful and active. They have appealed to the guilelessness and cupidity of the members, with a view of breeding dissatisfaction on their part with the association and inducing them to breach their contracts.

As a further defense the defendants claimed that the marketing contracts of the cooperative association were lacking in mutuality. The court found that this was true inasmuch as they did not apparently obligate the association to do anything, but the court held that the marketing contracts were valid though lacking in mutuality because the cooperative marketing act under which the association was formed, authorized marketing contracts that did not possess mutuality.

The claim was made that the provision in the contract with respect to liquidated damages was so uncertain as to render it void and the Supreme Court so held because the contract provided "that it shall not be more than 20 per cent. It may be 5, 10 or 15 per cent. Manifestly this is not what the statute means. The statute means that the contract may fix any percentage, which shall not be more than 30 per cent of the value of the products subject to the breach. This percentage, whatever may be agreed upon, must be stipulated in the contract." The court, however, said that "If the penalty cannot be enforced, the member cannot invoke that circumstance to invalidate the entire contract."

The answer of the packing company alleged that the copy of the so-called uniform contract filed with the registers of deeds of two counties was not a copy of the contract entered into "by the great bulk of the members of this association." The court held that this was a good defense to the suit because it did not show a compliance with the statute regarding the filing of copies of the marketing contract and the court said "It would amount to notice only with reference to those who had in fact signed the contract, copy of which was filed. If a proportion of the members signed some other contract, not filed, there would be no constructive notice as to them."

The member of the association involved in the suit claimed in his answer that the association had called upon him to "install expensive appliances on his premises for the proper cooling of the milk, thereby supplanting his existing method, and imposing upon him an expense which made it impossible for him to comply with the contract." In this connection the court said, "If this be true, it may relieve Stark of the obligations of his contract, on the ground that the act of the association prevented performance on his part."

As indicated, the Supreme Court of the State affirmed the judgment of the lower court and this means that if the litigation is pursued the case will be tried on its merits, and it would then be ascertained if the facts alleged by the defendants in their answers were supported by competent evidence.

L. S. Hulbert.

COOPERATIVE CREAMERIES IN ESTONIA

Cooperatives in Estonia, Northern Europe, for the manufacture and marketing of butter, increased from 130 to 328 during the five years, 1923 to 1927. During the same period the number of private establishments for making butter decreased from 94 to 56. The quantity of milk utilized by these cooperative associations increased from 100 to 505 during the five years, and the quantity of butter made, from 100 to 529. The exact quantity of butter made in 1927 was 9,550.5 metric tons. The output of butter from the cooperative plants is largely exported through the Agricultural Central Union and the Association of Dairy Societies.

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AGRICULTURAL COOPERATIVES IN CZECHOSLOVAKIA

Agricultural cooperatives in Czechoslovakia numbered 4,851, January 1, 1929. The Central Union of Agricultural Cooperatives at Prague, the largest central cooperative of the agricultural group, is a federation. On the 1st of January, 1929, there were 3,273 units of the Central Union, as compared with 3,069 in 1928. Of this number, 1,750 were credit associations; 893 were organizations for the utilization of electricity; 112 were associations for the use of agricultural machinery; 121 were cooperatives for producing alcohol; 100 were associations purchasing supplies; and 76 were cooperative milk and cheese associations.

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AGRICULTURAL COOPERATION IN RUSSIA

"Agricultural Cooperation in the Soviet Union" is the title of a small book by G. Ratner, a member of the board of the Union of Agricultural Cooperative Unions, Moscow. The book is translated by M. Digby, and edited and published by the Horace Plunkett Foundation, London.

The author describes the present status of the agricultural cooperative movement and its development since 1921; its legal foundations, and its commercial activities; with a chapter on the central unions of commodity groups. The financial condition of the agricultural cooperatives is outlined, also their foreign trade, and their representation abroad. This gives a concise picture of the entire cooperative movement.

K. Walter, of the Horace Plunkett Foundation, contributes an editorial upon the paradox of the survival of cooperation in Russia and its encouragement and expansion under a communist regime.

COPIES OF AGRICULTURAL COOPERATION DESIRED

Copies of Agricultural Cooperation for May 19, 1924, October 20, 1924, December 15, 1924, and June 11, 1927, are needed to complete library files. Persons who can supply any of these numbers will confer a favor by mailing them to R. H. Elsworth, Division of Cooperative Marketing, Department of Agriculture, Washington, D. C.

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GUIDE FOR COOPERATIVE MEMBERS AND MANAGERS

Officers and members of cooperative associations will find light on many of their problems in a circular entitled "Legal Status and Responsibility of Members and Management of Cooperative Associations," by H. M. Bain of the Division of Cooperative Marketing, U. S. Department of Agriculture. The discussion falls under the following heads: Nature of corporate organization; Who may be members; By-Laws; Members exercise corporate powers at meetings; Inspection of books of corporation; Board of directors manages affairs of association; Marketing contract; Withdrawal privilege; Contract one of a series; Liquidated damages; Injunction and specific performance; Provision for reserves. Copies of the circular may be procured from the Division of Cooperative Marketing, U. S. Department of Agriculture, Washington, D. C.

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STUDY OF MEMBERSHIP ATTITUDES

"Attitudes of Oklahoma Farmers toward the Oklahoma Cotton Growers Association" is the title of Bulletin, No. 178, issued by Agricultural Experiment Station, Stillwater, Okla. The study, which was made by W. W. Fetrow in cooperation with the Division of Cooperative Marketing of the U. S. Department of Agriculture, is an analysis of data collected from more than 500 association members in three areas representing different types of farming. The study, which is based on data collected during the winter of 1925, reveals that 90 per cent of the members of the association were having their first experience in cooperative marketing. Many of the members, it appeared, had joined the association with erroneous ideas as to what the association would be able to accomplish. Leaders in the movement during the organization period were overenthusiastic as to the benefits that farmers would receive. There was considerable lack of understanding of the marketing contract on the part of members, and in many instances there was a lack of confidence in the management. The study also made it clear that members should be brought into closer contact with their association and that more attention should be given to the social and economic conditions of the farmers with respect to their cooperative marketing attitudes.

REPORTED BY THE ASSOCIATIONS

Louisiana farmers, through the Louisiana Farm Bureau Selling Exchange, had marketed 186 cars of potatoes, beans and berries up to May 10. Quality produce brought top prices and returns were received promptly.

Ninety-two cooperative wine cellars were established in Algeria during 1928, according to a recent consular report. The associations had a membership of 2,145 and the cellars had capacity for 33,804,856 gallons of wine.

An association to act as a selling and purchasing agent has been formed at Jalapa, the capital of Vera Cruz, for the purpose of serving small cooperatives. The new organization starts with an initial capital of about \$250,000.

About 150 factories which produce foreign style cheese were added to the membership of the National Cheese Producers' Federation, Plymouth, Wis., during the recent membership drive. Of the first 86 factories to come into the Federation, 49 were in Green County and 33 in LaFayette County.

Eight meetings under the auspices of the Iowa Creamery Secretaries' and Managers' Association were held recently in those sections of Iowa where cooperative creameries are most numerous. Attention was given to production problems and business problems by speakers from the State College of Agriculture.

For the fourth consecutive year the Wenatchee District Cooperative Association, Wenatchee, Wash., has liquidated its loan for crop financing with the Federal Intermediate Credit Bank of Spokane at the end of the season. This year the association settled for the 1928 loan on April 27, three days earlier than in the spring of 1928:

A new association, the Chinchilla Rabbit Breeders' Association of Louisiana, Abita Springs, was formed in May of 1929, for the purpose of producing and marketing Chinchilla rabbit products. The meat of the animals is sold to hotels and restaurants and the fur is also marketed. A membership of 30 is reported. Products of nonmembers will be handled as well as members.

A refund of \$123,372 has been made to members of the Alabama Farm Bureau Mutual Supply Association, Montgomery, for the 1928-29 business year. A total of 84,991 tons of fertilizer worth \$2,115,567 has been handled by the association for the season. During the last seven years the Farm Bureau has handled for its members, 486,987 tons of fertilizer valued at \$14,487,034, on which refunds of \$592,062 was paid.

SELECTED LIST OF PUBLICATIONS AND ARTICLES

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- Cooperative Congress (61st annual). The Economist, London, England, May 25, 1929, p. 1154.
- Corey, M. L. The Reorganization of Agriculture. The Kernel, Kansas City, Mo., June, 1929, p. 5.
- Elliott, Fred J., and Thompson, Harry A. Observations on Subsidiaries. Cooperative Marketing Journal, Memphis, Tenn., May, 1929, p. 68.
- Hull, J. T. Cooperative Education. Cooperative Marketing Journal, Memphis, Tenn., May, 1929, p. 77.
- Irwin, W. A. The Wheat Pool. Maclean's Magazine, Toronto, Ont., Article I, June 1, 1929, p. 3; Article II, June 15, 1929, p. 8.
- Kuhrt, W. J. The Present Status of the Farmers' Elevator Movement in the United States. Cooperative Marketing Journal, Memphis, Tenn., May, 1929, p. 83.
- McKay, A. W. Teaching Cooperation to the Cooperator. Bureau Farmer, Fort Wayne, Ind., Connecticut Farm Bureau Section, June, 1929, p. 17.
- Miller, R. E. What is a Good Shipping Association? National Live Stock Producer, Chicago, Ill., June, 1929, p. 12.
- Romance of a Great Achievement in Cooperative Livestock Marketing: The Story of the Livestock Pool. The U. F. A., Calgary, Alberta, June 1, 1929, p. 11.
- Rudnick, A. W. Cooperatives I Have Known. Hoard's Dairyman, Fort Atkinson, Wis., June 10, 1929, p. 549.
- Varnell, E. H. A Seventeen-Year-Old Livestock Co-op: Cisco Livestock Shippers' Association Has Stood Successfully the Test of Time. Progressive Farmer, Texas edition, Dallas, Tex., June 8, 1929, p. 7.
- Ward, R. A. Largest Wool Cooperative Handles Washington Wools. Bureau Farmer, Fort Wayne, Ind., Washington State Farm Bureau Section, June, 1929, p. 19.